



NEWS RELEASE

US DEPARTMENT OF THE INTERIOR ■ BUREAU OF LAND MANAGEMENT
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Enrichment Unit to Receive Prestigious Award

Amarillo, Texas – Standing proudly over the Cliffside Gas Field, a mass of towers and gleaming pipes compose a new Crude Helium Enrichment Unit. This engineering marvel allows helium to be economically and efficiently recovered for use by the Federal government and private industry.

To recognize the collaborative efforts required to make this possible, the Bureau of Land Management (BLM) will present the Four Cs Award to the Cliffside Refiners LP, a partnership of helium refiners. The award will be presented at a dedication ceremony April 26, at 1:30 p.m. at the Cliffside Gas Field at 13301 Brickplant Road, located just outside of Amarillo, Texas.

BLM Deputy Director Jim Hughes will present the award on behalf of the BLM. Hughes says, “The *Four Cs Award* recognizes those within the BLM and outside our agency whose performance exemplifies Secretary Norton's Four Cs philosophy of consultation, cooperation, and communication all in the service of conservation.

Today, this structure, the Crude Helium Enrichment Unit, stands in a symbolic display of the 4Cs that the BLM has come to honor.”

During the time of World War I, an issue that had to be addressed was that helium was lost to the atmosphere if not separated from natural gas and somehow captured and stored. Helium loss was avoided when passage of the 1960 Helium Amendment Act allowed for storage at the Cliffside gas field, which today continues to hold much of the gas extracted during the last 40 years.

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In 1996, the Helium Privatization Act was passed, which directed the government to reduce the crude helium reserve through sales on the open market, without market disruption.

To make crude helium available in accordance with the Privatization Act, the BLM-Amarillo Field Office pursued multiple arrangements with Cliffside Refiners LP, a partnership of the helium refiners along the Government's crude helium pipeline, and El Paso Natural Gas to cooperatively develop the infrastructure needed to efficiently and effectively produce the Federal helium reserve over the next 15 to 20 years.

Through this special cooperative arrangement between the BLM and the Cliffside Refiners LP, an enrichment unit was designed and constructed to process an inlet helium-bearing gas stream of up to 40 million cubic feet per day containing 2 to 25 percent helium. The main product from the unit is crude helium, which contains 75 to 85 percent helium that is put into the pipeline or back into the storage field depending on demand.

Additionally, a pipeline-quality residue natural gas produced from the Unit's operation is available for sale through an interagency agreement with the Minerals Management Service.

The Cliffside Refiners LP, represented primarily by **Air Products, The BOC Group (BOC Gases), El Paso Natural Gas and Praxair**, provided the initial financing for the project. A "reservoir management fee" through the BLM's existing Helium Storage Contracts, and natural gas sales (up to \$50,000 or more per day) will generate sufficient funds to pay for the equipment and operations expenses (about \$10 million per year) over the 15-20 year life of the project.

Commissioning and start-up of the crude helium enrichment unit was complete in late 2003 and the unit is now operated by the BLM.

The crude helium enrichment unit's completion has extended the productive life of Cliffside while allowing the private helium industry time to proactively reposition its resources to meet present and future domestic and foreign helium needs.

Hughes pointed out that the effort and success of this partnership is a shining example of what can be accomplished when we operate under the Four Cs philosophy-consultation, cooperation and communication all in the service of conservation.

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Notes to Assignment Editor:

Interviews with BLM-Deputy Director Jim Hughes and representatives of Cliffside Refiners, LP can be arranged. Maps to Cliffside are available.

Reporters/camera crews are also welcome to attend early to partake in the barbeque at noon. No charge. Lunch provided by the Cliffside Refiners, LP.